

DEPARTMENT OF INFORMATION RESOURCES

Open Board Meeting

May 14th, 2008

10:00 a.m.

300 W. 15th Street, Room 103

William P. Clements Building

Austin, Texas 78701

CALL TO ORDER: Board Chair Cliff Mountain called the meeting to order at 10:10 a.m.

I. ROLL CALL AND WITNESS REGISTRATION: Board Secretary, Pat Koller, called the roll.

Members present:

Chairman Cliff Mountain

Charles Bacarisse

The Honorable Debra McCartt

Rosemary Martinez

Robert Pickering Jr.

Bill Wachel (arrived 11:20)

Mr. Gary Gumbert – Ex-officio

Mr. Albert Betts – Ex-officio

II. Approve minutes from February 8th, 2008, Board meeting - ACTION

A motion to approve the minutes of the February 8th, 2008 DIR Board meeting was made by Mayor McCartt and seconded by Mr. Bacarisse. Motion carried unanimously.

III. Executive Director's Report

Brian Rawson explained to the Board that we are continuing to evolve the Performance Metrics and presentations in the Board Books. He presented a Snapshot Performance Report on Statewide Technology Goals including the areas of ICT Cooperative Contracting, TexasOnline eGovernment Web Portals, Data Center Services, Communications Technology Services, Information Security, Privacy Management, Next Generation TexasOnline Procurement, Next Generation Tex-An Procurement, and Statewide Partnerships. He also updated the Board on DIR Operational Excellence initiatives including the DIR Business Planning Initiative, the DIR Performance Management Initiative, and Other Priority Initiatives. Mr. Rawson also updated the Board on DIR in the News, and introduced New DIR Employees. Chairman Mountain complimented the management team and DIR on the excellent job they have been doing. He also announced that the next Board Meeting would need to be moved to Tuesday, August 26, 2008 because of recently published due dates for DIR's Legislative Appropriations Request. There was some discussion about moving the October Board Meeting date as well, and this will be investigated.

IV. Internal Audit Update

Bob Saathoff introduced Virgilio Altamirano who is with the firm of PMB, Helin and Donovan, Certified Public Accountants. Mr. Altamirano presented internal audit reports for DIR, the Data Center Consolidated Procurement and Follow Up Cost Savings Initiative of DIR. Mr Gumbert commented that he had never seen an audit report with no findings. Chairman Mountain also complimented DIR on this achievement.

V. Finance Update

Cindy Reed and Bob Saathoff updated the Board on Finance Operations. Ms. Reed presented Finance Key Metrics which include the categories of Liquidity, Ability to Fund Initiatives, Revenue Collections, and Expenditure Accountability. Ms. Reed and Mr. Saathoff presented Financial Statements to the Board and answered various questions. There was discussion by the Board. Mr. Bacarisse requested information on the trend in surveillance cameras and about the capital purchases to increase bandwidth. Ms. Reed and Ms. Salone responded to these questions. Ms. Martinez informed the Board that we will develop a budget amendment policy which will be presented to the Board at the August meeting. Ms. Reed also presented the Cash Flow Forecast through the end of Fiscal Year 08. Chairman Mountain congratulated DIR on effective management of the cash flow challenges created by DIR's new funding paradigm this fiscal year.

VI. ICT Cooperative Contract Program

Cindy Reed updated the Board on the ICT Cooperative Contract Program. She presented the Statewide Technology Sourcing dashboard with metrics for Sales, Cost Savings to State, and Channel Penetration for Education, State, Local Government, and Other Entities. Ms. Reed also discussed Sales Trends and Other Observations, Sales by Channel and Commodity Type, Product Mix Change, and New Product and Service Offerings related to the second quarter. Chairman Mountain said it would be helpful if DIR could provide a one page email to Board Members that would help them answer the questions they receive on how to get on the DIR Contract List. Ms. Reed will provide this. She also presented information on the Supply Chain Life Cycle, New Contracts Gaining Traction, Q2 New Customers, Q1-Q2 Purchase Orders, and Outreach.

VII. Data Center Services Update

Ginger Salone with DIR and Ken Weiss with IBM jointly presented the update on Data Center Services. They presented a Review of Data Center Accomplishments over the past year. Ginger provided more detail on Established Governance including the Business Leadership Council for Technology. They also provided information on accomplishments since the last meeting including Operations Activities, Transformation and Consolidation Activities, and Procurement Backlog. Chairman Mountain had questions on procurement backlog which Mr. Weiss answered. Mr. Weiss and Ms. Salone also presented the Enterprise Dashboard Year to Date, Enterprise Performance Trends, Agency Customer Satisfaction, and Invoice Delivery. Chairman Mountain stated that IBM is doing an excellent job with the invoicing and getting better with the procurement backlog. He stated that because we are behind on the Transformation Plan it would be helpful if IBM could go back and put a proposal together to speed up the transformation process. Chairman Mountain also congratulated the team on the improvement in Invoice Delivery, as he realizes it took a huge effort. Mr. Weiss and Ms. Salone also presented information on Focus Areas and the Data Center Audit. Chairman Mountain thanked them and commented that he knows how much time this is taking.

VIII. Communications Technology Services

Ginger Salone presented the report on Communications Technology Services Performance Measures including Key 2008 Objectives, Service Availability, and Channel Penetration. She also discussed Support and Network Services for Data Center Services, and the TEX-AN Next Generation Procurement Update and Revised Solicitation Strategy.

IX. TexasOnline Update

Ginger Salone presented the Texas Online Metrics which included Key 2008 Objectives, Cumulative State Revenue Share, Transactions, and Portal Visits. She also discussed Upcoming Activities, TexasOnline Re-Procurement Goals, and TexasOnline Re-Procurement Milestones. The Board requested that they be kept apprised about the bids. The Board considered the approval of fee changes for the Department of State Health Services Radiation Radiographer license renewals. Mayor McCartt made the motion that the Board approve the proposed fee change as presented. Mr. Wachel seconded the motion. Motion carried unanimously.

X. New Gifts and Donations Policy

Renée Mauzy asked the Board to consider adopting a Gifts and Donations Policy governing DIR Acceptance of Gifts and Donations that further DIR's mission. There was discussion by the Board concerning the 90 day period of time during which the donation must be acknowledged by the Board. It was decided that this should be changed to 30 days. Mr. Pickering made the motion that the Board adopt this policy with the proposed change. Mr. Bacarisse seconded the motion. Motion carried unanimously.

XI. Rules

Renée Mauzy asked the Board to consider proposing for public comment the Amendment of 1 T.A.C. Section 201.9 Board Policies, to add a new Subsection (c) concerning Gifts and Donations to DIR and the Criteria, Procedures and Standards of Conduct Governing the Relationship between DIR and its Officers and Employees and Private Donors. Bill Wachel made the motion that the Board approve proposing amendments to the rule for public comment. Charles Bacarisse seconded the motion. Motion carried unanimously.

Martin Zelinsky asked that the Board consider proposing for public comment the Amendment of 1 T.A.C. Chapter 206 concerning State Web Sites, and 1 T.A.C. Chapter 213 concerning Electronic and Information Resources. Mayor McCartt made the motion to approve proposing the amendment to Chapter 206. Mr. Wachel seconded the motion. Motion carried unanimously. Charles Bacarisse made the motion to approve proposing the amendment to Chapter 213. Mayor McCartt seconded the motion. Motion carried unanimously.

XII. Public Testimony

There was no Public Testimony.

XIII. Executive Session

At 11:50 a.m. Chairman Mountain announced that the Board would recess the open portion of the meeting to go into Executive Session as authorized by Section 551.074, Government Code, to discuss the performance plan related to future duties of the executive staff.

At 12:07 p.m. Chairman Mountain called the meeting to order again and announced that a quorum was present. Chairman Mountain stated that while in executive session the Board discussed the performance plan for the executive staff. The Board did not vote, take any final action or make any decision during the executive session. No action was taken in the open meeting related to the executive session.

XIV. Adjournment

Mayor McCartt made the motion to adjourn. Mr. Bacarisse seconded the motion. Motion carried unanimously. Chairman Mountain adjourned the meeting at 12:08 p.m.